

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION**

IN RE:)	
)	
)	
WAVERLY GARDENS OF)	Case No. 08-30218-PJD
MEMPHIS, LLC)	Case No. 08-30221-PJD
KIRBY OAKS INTEGRA, LLC)	Chapter 11
d/b/a WAVERLY GLEN)	(Jointly Administered)
)	
Debtor.)	

**OBJECTION OF DEBTORS TO MOTION TO DISMISS OF UNITED STATES
TRUSTEE**

Waverly Gardens of Memphis, LLC ("Waverly") and Kirby Oaks Integra, LLC, (Kirby Oaks,") (collectively, Kirby Oaks and Waverly are referred to herein as the "Debtors") object to the motion to dismiss filed by the United States Trustee ("UST") and, in support of its objection, would show the Court as follows:

1. The Debtors concede they are delinquent in filing certain of their montly operating reports. This is in part due to the fact that the Debtor's outside CPA had limited time to devote to the reports during the first quarter of the year due to tax season. Since the filing of the UST's motion, the Debtors' have filed their January 2010 operating report and anticipate filing the February, and possibly March reports prior to the hearing.

2. The Debtors have filed a joint plan of reorganization with First Tennessee Bank, N.A., its primary secured lender. Under the proposed plan, all UST quarterly fees would be paid on the Effective Date of the plan. The Debtors aver that the plan has a substantial liklihood of being confirmed.

3. For the foregoing reason, the UST's motion to dismiss should be denied.

Respectfully submitted,

BUTLER, SNOW, O'MARA, STEVENS & CANNADA,
PLLC

/s/Michael P. Coury
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Attorney for the Debtors

CERTIFICATE OF SERVICE

I, Michael P. Coury, Attorney for the Debtors, do hereby certify on this 30th day of April, 2010, that a true and exact copy of the foregoing objection to Motion to Dismiss has been mailed electronically or by United States mail, postage prepaid, to the following:
Karen Dennis, Trial Attorney, 200 Jefferson, Suite 400, Memphis, TN 38103

/s/ Michael P. Coury

Memphis 1663700v1